



# HOUSE BUDGET COMMITTEE

## DEMOCRATIC CAUCUS

*U.S. Rep. John M. Spratt, Jr., Ranking Democratic Member*

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## News Release

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### **House Floor Statement by U.S. Rep. John Spratt (D-SC) Ranking Member, House Budget Committee**

### **Social Security Surplus Resolution**

**September 28, 1999**

Mr. Chairman, Fiscal Year 2000 begins in two days, and we have no budget and no prospect of one. Instead we have a red herring, this resolution, which makes a promise the majority has already broken. The resolution asserts that we should not spend any of the Social Security surplus. There's one big problem with this assertion: when we recessed in August, the House had *already* spent the entire on-budget surplus of \$14.4 billion and had invaded the Social Security surplus by \$16 billion.

Don't take my word for it. That is the conclusion reached by the Congressional Budget Office, in an August 26, 1999 letter from its director, Dan Crippen, to me. Later today, I will insert his letter in the *Congressional Record*.

Since the August break, Congress has taken up more bills which spend \$11 billion more of the Social Security surplus. In total, this means that the budget, under the majority's direction, is headed toward spending a total of \$27 billion of the Social Security surplus in Fiscal Year 2000. And this estimate makes minimal allowance for Labor-HHS-Education and emergencies.

As this chart shows, the baseline surplus for Fiscal Year 2000 is \$14.4 billion. But by late summer, CBO found that Congress had committed all of this surplus (\$14.4 billion) and in fact converted it to a non-Social Security deficit of \$16 billion. CBO confirmed this estimate by an August 26 letter. Since then, the majority has pushed the non-Social Security deficit close to \$30 billion by our calculation.

The House and Senate conferred on next year's budget for all of one hour, long enough for Republicans to vote for a done deal. There was no conference. They were pleased to file the conference report on the budget by April 15, the deadline under the Budget Act. For the first time in years, they made the trains run on time. I predicted then a train wreck down the track. And here we are, four months down the track, and the budget is derailed, as badly off-track as I've seen it in the 17 years I have served in the House.

The Republican budget resolution was always unrealistic. When we debated the budget resolution last spring, we tried to point out that the outlines of spending and tax cuts set in the Republicans' resolution were unrealistic. So, we are disappointed, but not surprised, that our predictions have proved correct.

Why are we considering this bill today? This is subterfuge. This is a set-up. This is an attempt to shift blame for failure. When we finally do pass all of the spending bills, the majority wants to blame the President and Congressional Democrats for spending the surplus that they have already spent.

The new fiscal year begins in just two days. So far, only one of the 13 appropriations bills has become law. Most of the others are mired in conference. Later today, the House will take up a Continuing Resolution to prevent the government from shutting down. This is not the time for empty gestures and partisan ploys. But instead of finishing the budget, the House is spinning its wheels on a resolution that tries to conceal the majority's failure at governance. That in itself should tell you why we are at this impasse.

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**FY 2000 On-Budget Surplus / Deficit:**  
**Where the Republican Congress is Now, as of September 27, 1999**  
dollars in billions

<b>Current-law On-Budget Surplus, CBO July Report</b>	<b>14.4</b>
— tax cut	-5.3
— Census “emergency”	-4.1
— HBC scorekeeping “plugs” to mirror OMB outlay estimates	-16.1
— Crime Victims Fund scorekeeping “adjustment”	-0.5
— cap adjustments for EITC compliance and arrearages.	-0.1
— debt service on above	-0.7
— Use congressional treatment of SS administrative costs	<u>-3.3</u>
<b>Where Republicans Are Now: On-budget Deficit [CBO 8/26]</b>	<b>-15.7</b>
<b>Likely adjustments to CBO’s \$16 billion estimate:</b>	
— Sustain veto of the tax cut	+5.3
— Use OMB/CBO accounting of SS administrative costs	+3.3
— Labor-HHS-Education restorations (preliminary est. of Porter’s mark)	-7.8
— LIHEAP emergency designation	-0.9
— emergency farm aid (Senate-passed)	-7.3
— emergency Veterans’ Medical Care (Senate-passed)	-0.5
— other emergencies (hurricanes, Turkey, Kosovo, etc.) ???	-2.5
— cap adjustments for CDRs and adoption incentives	-0.4
— additional debt service	<u>-0.4</u>
<b>Where Republicans Are Headed</b>	<b>-26.9</b>

*NOTE: May not add due to rounding*

House Budget Committee  
Democratic Staff  
September 28, 1999